
DS SMITH INTERNATIONAL LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2021

DS SMITH INTERNATIONAL LIMITED

CONTENTS

	Page(s)
Company information	1
Strategic report	2 - 4
Directors' report	5 - 7
Directors' responsibilities statement	8
Independent auditors' report	9 - 12
Statement of comprehensive income	13
Statement of financial position	14
Statement of changes in equity	15
Notes to the financial statements	16 - 27

DS SMITH INTERNATIONAL LIMITED

Officers and professional advisers

Directors	W B Hicks S Rossi I D C Simm
Company Secretary	Z W Stone
Registered number	02636539
Registered office	350 Euston Road London United Kingdom NW1 3AX
Independent auditors	Deloitte LLP Statutory Auditor 1 New Street Square London United Kingdom
Bankers	National Westminster Bank PLC Bishopsgate London United Kingdom EC2M 4AA

DS SMITH INTERNATIONAL LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 30 APRIL 2021

Strategic Report

The Directors present their strategic report for the year ended 30 April 2021.

Principal activities

The Company is a wholly owned subsidiary of DS Smith Plc and operates as part of the DS Smith Group ('the Group').

The principal activity of the Company is to act as a Group investment holding company. There has been no significant change in the Company's principal activity in the year under review. The Directors are not aware, at the date of this report, of any likely significant changes in the Company's activities in the forthcoming financial year.

Business review

The results for the financial year show a profit before taxation of £550,687,000 (2020: profit before tax of £220,202,000). The Company paid an interim dividend of £228,367,000 (2020: £22,636,680) during the year. The carrying value of investments at 30 April 2021 was £3,411,247,000 (2020: £3,349,965,000).

The Group manages its operations on a Group basis. For this reason, the Company's Directors believe that further discussion of key performance indicators on a Company only basis are not appropriate for an understanding of the development, performance or position of the business. The performance of the Group, which includes this Company, is discussed in the Group's annual report which does not form part of this report. A copy of the Group's annual report can be obtained from the address provided in note 18.

Key Performing Indicators

Given the nature of the business of the Company as a holding company, the Company's Directors are of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance or position of the business. The development, performance and position of the overall DS Smith Group is discussed within DS Smith Group PLC's annual report which does not form part of this report.

Section 172 (1) of the Companies Act 2006

The Directors have regard to section 172(1) of the Companies Act when performing their duties to promote the success of the Company, paying due regard to likely consequences of decisions in the long-term and the interests of its stakeholders, which are internal. As the Company is an investment holding company, it does not have any direct employees, customers or suppliers. The Company operates as part of the Group which has as its purpose 'Redefining Packaging for a Changing World'. Both the Company and Group complies with the principles of good corporate governance with policies in place to support this commitment. The Group's stakeholders include its employees, customers, the communities in which it operates and its impact on the environment. During the year the Directors of the Group received relevant information to help them understand the interest and views of these key stakeholder groups when making decisions and the potential impact decisions could have on each group. Information included reports regarding financial and operational performance, non-financial key performance indicators (including accident frequency rate, CO2 equivalent emissions and on-time and in-full deliveries), business risk, responsible business matters and the results of stakeholder engagement exercises. For more details on how the Group has regard to the interests of its employees, the impact its actions have on the communities in which the Group operate and the environment, maintaining high standards of business conduct, and acting fairly at all times, refer to the Group's annual report which can be obtained from the address in note 18.

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 30 APRIL 2021**

Streamlined Energy and Carbon Reporting

The Company is included in the Group reporting of the ultimate parent company which has provided its consolidated CO2 emissions and energy consumption on page 33 of the Strategic report in the 2021 annual report.

Principle Risks and uncertainties

As the Company's main purpose is to act as an investment holding company, the financial risks that the Company is exposed to are limited.

Where applicable, the Company follows the Group policy. The Company's financial risk management is centralised to capitalise on economies of scale and synergy effects and to minimise operational risks.

Liquidity risk

The Company actively manages its liquidity risk by short-term debt finance with the Group treasury function, supported by external borrowings where appropriate, designed to ensure the Company has sufficient available funds for operations.

Interest rate risk

The Company has interest-bearing liabilities held with DS Smith Plc and arise from the operation of the Group's cash pooling arrangements in the UK. The Group treasury function is responsible for identifying and managing interest rate exposure.

Credit risk

The Company's credit risk is primarily attributable to its receivables held on the statement of financial position, all of which are inter-group. Recoverability of these receivables is reviewed regularly against the balance sheet position of the counterparty

Covid-19

The Group's operations were affected throughout the year by the Covid-19 pandemic. However, as an essential supplier for critical supply chains in areas such as FMCG food and drink, pharmaceuticals and other essential suppliers, the Group's sites remained fully operational and continued to trade throughout the period. Changes were made to operating processes and practices to ensure the Group could respond to the specific local government requirements in each country in which it operates.

The Company's risk is low, as it does not trade. The business performance of the Company's subsidiaries (direct and indirect) or parent companies may be adversely impacted by the Covid-19 pandemic resulting in an impairment of investments in Group undertakings (and any amounts owed by these subsidiaries or parent companies). However, the Directors consider that this risk is minimal, as the Group has continued to trade. For a further explanation of how the Directors have considered the impact of Covid-19 on the current and forecast position and performance of the Group, refer to pages 50 to 51 in the Group's 2020/21 Annual Report available at the Group's website at: <https://www.dssmith.com/investors/results-and-presentations>.

Brexit

The UK left the EU in January 2020 and the transition period ended on 31 December 2020. Product for the Group's UK customers is largely manufactured within the UK and materials sourced within the UK, and as such the Group did not experience substantial disruption in the first few months of 2021 as the new trading arrangements between the UK and the EU came into place. While there are some friction impacts of Brexit, in particular limited capacity with carriers and brokers at the start of 2021, the business have planned, in collaboration with key trading partners, and accordingly the overall impact on the Group has not been material. The Company does not trade, but for the reasons described the impact on the Company's related parties has

DS SMITH INTERNATIONAL LIMITED

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 30 APRIL 2021**

not been material.

Approved by the Board of Directors and signed on behalf of the Board:

W B Hicks

Director
26th January 2022

DS SMITH INTERNATIONAL LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 APRIL 2021

The Directors present their annual report and the financial statements for the year ended 30 April 2021.

Results

The profit for the year, after taxation, amounted to £548,897,000 (2020: £221,387,000)

Dividends

The Company paid an interim dividend of £228,367,000 (2020: £22,636,680), further details can be found in note 9 to the financial statements. There have been no dividends proposed after year end.

Directors

The Directors who held office during the year and to the date of signing the financial statements, were as follows;

W B Hicks
S Rossi
Z W Stone (resigned 21 September 2020)
I D C Simm (appointed 21 September 2020)

Directors' and officers' liability insurance

During the year and up to the date of approval of these financial statements, the ultimate parent company maintained liability insurance for the Directors and other Officers of the Company. The ultimate parent company has also entered into qualifying third-party indemnity arrangements for the benefit of the Directors of the Company.

Future developments

The Covid-19 pandemic remains a challenge and the Directors will continue to monitor all aspects of the business, from people, operations and the consequential financial implications and take appropriate actions in response. The Group has already taken actions to conserve cash and manage costs and will continue to do so. Given how well the people and operations have performed during the peak of the pandemic, the Directors are confident in the Group's ability to continue to perform well in the future. The principal activity of the Company is to act as an investment holding company for the Group that is principally party to intra-group transactions. The Directors expect that this will remain the case in the future and that the general level of activity for the Company will remain consistent with 2021. The Directors do not see that the Covid-19 pandemic will have a direct impact on the position and performance of the entity and whilst recognising that there may be some indirect impact in the future as a consequence of the impact on the wider Group.

Events after the balance sheet date

There have been no significant events since the balance sheet date.

Political contributions

No political contributions were made during the year (2020: £nil).

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 APRIL 2021**

Going Concern

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out above. The financial position of the Company is as shown in the statement of financial position on page 14.

The Company's ultimate parent Company and controlling party is DS Smith Plc, whose financial statements include the Group's objectives, policies and processes for managing its capital; its financial risk management objectives; details of its financial instruments and hedging activities; and its exposures to credit risk and liquidity risk.

At 30 April 2021 the Company had net current liabilities of £3,230,223,000 (2020: £3,286,390,000). The Company benefits from the ongoing support of its ultimate parent company, DS Smith Plc, and this has been evidenced through a written undertaking from the ultimate parent company to provide financial support if required from a period of at least 12 months from the date of signing of the financial statements. Accordingly, the Directors continue to adopt the going concern basis in preparing the financial statements.

The Covid-19 pandemic has resulted in the slowdown of economies across the world, resulting in job losses and business failures and a global recession, including the UK. In response to the pandemic the Group has undertaken measures to reinforce the Group's financial position and ongoing performance through conserving cash and managing costs. Capital expenditure will be reduced and all non-essential expenditure deferred.

As a Group the primary focus has been the health and wellbeing of the group's employees. Secondly, the Directors have focused on maintaining an uninterrupted supply to the Group's customers, the majority of whom are FMCG companies which are essential in the food supply chain. As such, the Group's sites have generally been classified as essential operations and all sites have remained operational throughout the pandemic to date. New ways of working have been implemented to reflect the latest guidance on safe operations and changes in demand.

The Company has access to considerable financial resources from across the DS Smith Group. As a consequence, the Directors believe that the Company is well placed to manage its business risks successfully despite the current uncertain economic outlook. Taking into consideration the financial performance and financial position of the Company, they continue to adopt the going concern basis in preparing the financial statements.

Further details regarding the adoption of the going concern basis can be found in note 1.9 to these financial statements on page 18.

Disclosure of information to auditors

Each of the persons who are Directors at the time when this Directors' report is approved has confirmed that:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.
- This confirmation is given and should be interpreted in accordance with the provisions of s.418 of the Companies Act 2006.

Matters covered in the strategic report

Disclosures required by s416(4) which have been elevated to the strategic report:

- Financial risk management objectives and policies

DS SMITH INTERNATIONAL LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 APRIL 2021**

Auditors

Under section 487(2) of the Companies Act 2006, Deloitte LLP will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

This report was approved by the board on 26 January 2022 and signed on its behalf.

W B Hicks
Director

**DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 30 APRIL 2021**

The Directors are responsible for preparing the Strategic report, the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework'. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF DS SMITH INTERNATIONAL LIMITED

Opinion

In our opinion the financial statements of DS Smith International Limited (the 'Company'):

- give a true and fair view of the state of the Company's affairs as at 30 April 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the statement of comprehensive income;
- the statement financial position;
- statement of changes in equity; and
- the related notes 1 to 19.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework".

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF DS SMITH INTERNATIONAL LIMITED

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the Company's industry and its control environment, and reviewed the Company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management and internal audit about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory framework that the Company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included the UK Companies Act and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the Company's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team including relevant internal specialists such as tax regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF DS SMITH INTERNATIONAL LIMITED

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management, internal audit and legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance, reviewing internal audit reports, reviewing correspondence with HMRC and licensing authorities.

Report on other legal and regulatory requirements

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' report has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Strategic report or the Directors' report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

DS SMITH INTERNATIONAL LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF DS SMITH INTERNATIONAL LIMITED

Use Of Our Report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Stephen Turner (Senior Statutory Auditor)
for and on behalf of Deloitte LLP,
London,
United Kingdom,
EC4A 3BF
26 January 2022

DS SMITH INTERNATIONAL LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 APRIL 2021**

	Note	2021 £000	<i>2020 £000</i>
Administrative expenses	3	(475)	(7,097)
Investment Income	2	561,370	230,176
(Impairment) / Gain on sale of investment	5	(4,213)	3,031
Operating profit before interest and income tax		556,682	<i>226,110</i>
Finance income	6	38,879	28,502
Finance costs	7	(44,874)	(34,410)
Profit Before Tax		550,687	<i>220,202</i>
Tax on Profit	8	(1,790)	1,185
Profit for the financial year		548,897	<i>221,387</i>

There were no recognised gains and losses for 2021 or 2020 other than those included in the statement of comprehensive income.

There was no other comprehensive income for 2021 (2020:£000NIL).

The notes on pages 16 to 27 form part of these financial statements.

DS SMITH INTERNATIONAL LIMITED
REGISTERED NUMBER: 02636539

STATEMENT OF FINANCIAL POSITION
AS AT 30 APRIL 2021

	Note	2021 £000	* As restated 2020 £000
Non-current assets			
Debtors: amounts falling due after more than one year	11	2,759,763	2,491,186
Investments	10	3,411,247	3,349,965
		6,171,010	5,841,151
Current assets			
Cash at bank and in hand	12	3	52,235
		3	52,235
Creditors: amounts falling due within one year	13	(3,230,226)	(3,338,625)
Net current liabilities		(3,230,223)	(3,286,390)
Total assets less current liabilities		2,940,787	2,554,761
Net assets		2,940,787	2,554,761
Capital and reserves			
Called up share capital	14	623,775	623,775
Share premium account	15	1,617,617	1,552,121
Profit and loss account		699,395	378,865
		2,940,787	2,554,761

* The 30 April 2020 comparative has been restated as explained in note 11

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 26 January 2022.

W B Hicks
Director

The notes on pages 16 to 27 form part of these financial statements.

DS SMITH INTERNATIONAL LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 APRIL 2021**

	Called up share capital £000	Share premium account £000	Profit and loss account £000	Total equity £000
At 1 May 2019	621,050	1,504,204	180,116	2,305,370
Comprehensive income for the year				
Profit for the year	-	-	221,387	221,387
Total comprehensive income for the year	-	-	221,387	221,387
Dividends: Equity capital (Note 9)	-	-	(22,638)	(22,638)
Shares issued during the year (Note 16)	2,725	47,917	-	50,642
Total transactions with owners	2,725	47,917	(22,638)	28,004
At 30 April 2020	623,775	1,552,121	378,865	2,554,761
Comprehensive income for the year				
Profit for the year	-	-	548,897	548,897
Total comprehensive income for the year	-	-	548,897	548,897
Dividends: Equity capital (Note 9)	-	-	(228,367)	(228,367)
Shares issued during the year (Note 16)	-	65,496	-	65,496
Total transactions with owners	-	65,496	(228,367)	(162,871)
At 30 April 2021	623,775	1,617,617	699,395	2,940,787

The notes on pages 16 to 27 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2021

1. Principal accounting policies

1.1 Basis of preparation

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' and the Companies Act 2006.

General information

FRS 101 DS Smith International Limited ("the Company") is a private limited company limited by shares incorporated in the United Kingdom and registered in England and Wales whose shares are not publicly traded. The Registered office is located at 350 Euston Road, London, NW1 3AX. The nature of the Company's operations and its principal activities are set out in the strategic report on pages 2 to 4. These financial statements are presented in pounds sterling which is the currency of the primary economic environment in which the Company operates. These financial statements are separate financial statements. The Company is exempt from the preparation and delivery of consolidated financial statements, because it is included in the group accounts of DS Smith PLC. The group accounts of DS Smith PLC are available to the public and can be obtained as set out in note 19.

The financial statements of the Company have been prepared on the going concern basis and in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and the UK Companies Act 2006.

FRS 101 sets out an optional reduced disclosure framework which addresses the financial reporting requirements and disclosure exemptions for the individual financial statements of subsidiaries and ultimate parents that otherwise apply the recognition, measurement and disclosure requirements of EU-adopted IFRS.

The Company is a private company limited by shares incorporated in the United Kingdom under the Companies Act 2006 and is registered in England and Wales and are not publicly traded. The address of the Company's registered office is shown on page 1. The nature of the Company's operations and its principal activities are set out in the strategic report on page 2.

The financial statements are prepared under the historical cost convention.

In these financial statements, the Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- statement of cash flows and related notes;
- a comparative period reconciliation for share capital;
- disclosures in respect of transactions with wholly owned subsidiaries;
- disclosures in respect of capital management;
- the effects of new but not yet effective IFRSs; and
- disclosures in respect of key management personnel.

As the Group Financial Statements include the equivalent disclosures, the Company has also taken advantage of the exemptions under FRS 101 available in respect of the following disclosures:

- IFRS 13 Fair Value Measurement and the disclosures required by IFRS 7 Financial Instruments.
- The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

These financial statements are presented in pounds sterling (£) because that is the currency of the primary economic environment in which the Company operates.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2021

1. Principal accounting policies (continued)

1.2 Consolidated financial statements

The Company has taken advantage of the exemption from preparing consolidated financial statements afforded by Section 400 of the Companies Act 2006 because it is a wholly owned subsidiary of DS Smith Plc which prepares consolidated financial statements which are publicly available at the address in note 19.

1.3 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

1.4 Foreign currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the foreign exchange rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated using the rate of exchange ruling at that date.

1.5 Dividends

Dividends received from investments in subsidiaries during the year are recognised in the income statement.

1.6 Investments in subsidiaries

Investments in subsidiary undertakings are valued at cost less provisions for impairment.

1.7 Financial assets and liabilities

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially measured at transaction price and, where applicable, are subsequently measured at amortised cost. Financial assets and liabilities are only offset in the statement of financial position when, and only when, there exists a legally enforceable right to set off the recognised amounts and the Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. Financial assets are derecognised when, and only when, a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party. Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2021

1. Principal accounting policies (continued)

1.8 Taxation

Income tax on the profit for the year comprises current tax. Income tax is recognised in profit except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted at the reporting date, and any adjustment to tax payable in respect of previous years. In accordance with Group policy, for the tax charge during the year, the ultimate parent company DS Smith PLC pays the tax charged on behalf of the entity and the balance is stated as payable balance to PLC and in case of tax credit balance, the Company surrenders current year tax losses to other members of the DS Smith Group, and receives payment for those tax losses at the rate of tax prevailing in the year

1.9 Going concern

The financial position of the Company is as shown in the statement of financial position. Due to the Company being in a net current liability position, a letter of support has been received from the ultimate parent company stating that they intend to provide any financial support necessary to meet the Company's financial obligations as they fall due for a period of at least 12 months from the date these financial statements are signed.

The Company has made a profit after tax in the year amounting to £548,897,000 (2020: £221,387,000), and is in a Net Current Liability Position of £3,230,223,000 (2020: £3,286,390,000).

The Company's ultimate parent company and controlling party is DS Smith Plc, whose financial statements include the Group's objectives, policies and processes for managing its capital; its financial risk management objectives; details of its financial instruments and hedging activities; and its exposures to credit risk and liquidity risk.

The Group has access to considerable financial resources which would be available to the Company if necessary. As a consequence, the Directors believe the Company is well placed to manage its business risks successfully despite the current uncertain economic outlook.

The Directors have formed a judgement at the time of approving these financial statements, that there is a reasonable expectation that the Company and Group have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they have continued to adopt the going concern basis in preparing these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2021**

1. Principal accounting policies (continued)

1.10 Critical accounting judgements and estimates

In the application of the accounting policies, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

In the opinion of the Directors, there are no critical judgements, apart from those involving estimations (which are dealt with separately below), that have been made in the process of applying accounting policies.

Investments in subsidiaries

The carrying values of the investments in subsidiaries are reviewed on a regular basis to assess whether any impairment in value is required. Impairment testing is performed annually for investment in subsidiaries by comparing the carrying amount of each investment with the relevant subsidiary's consolidated balance sheet. Where the net assets are lower than the investment value, a discounted cash flow or value-in-use is utilised to calculate the present value of the investment to confirm whether any impairment is required.

The calculations of value-in-use are inherently judgemental and require management to make a series of estimates and assumptions. These are: cash flow forecasts (including sales volumes, price and cost assumptions and capital expenditure underlying these forecasts), the determination of a long-term growth rate and the determination of an appropriate pre-tax adjusted discount rate.

2. Investment income

	2021	<i>2020</i>
	£000	<i>£000</i>
Dividends received from subsidiary undertakings	561,370	<i>230,176</i>
	561,370	<i>230,176</i>

During the year the Company received dividends from:

DS Smith (Luxembourg) S.a.r.l £306,039,479 (2020: £166,421,192)
 David S Smith (Ireland) Unlimited Company £255,329,889 (2020: £62,539,447)
 David S Smith (Netherlands) B.V £Nil (2020: £1,215,000)

DS SMITH INTERNATIONAL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2021**

3. Administration expenses

	2021	<i>2020</i>
	£000	<i>£000</i>
Advisory charges	-	17
Foreign exchange losses	475	<i>7,080</i>
	<u>475</u>	<u><i>7,097</i></u>

No fees in relation to non-audit services were paid to the Company's Auditor in the current or preceding year.

The Auditor's remuneration of £7,500 (2020: £6,500) for the statutory audit of the Company's financial statements for the current and previous year has been borne and not recharged by another Group undertaking.

4. Directors' and employee emoluments

The Directors are remunerated by other Group companies and no specific recharge is made in respect of their services to the Company in the current or prior year.

The Company had no employees during the current and prior year.

5. (Impairment) / Gain on sale of investment

	2021	<i>2020</i>
	£000	<i>£000</i>
(Loss) / Gain on sale of investment	-	<i>3,031</i>
Impairment	(4,213)	-
	<u>(4,213)</u>	<u><i>3,031</i></u>

The investment in David S. Smith (Ireland) Unlimited Company were written off during the year. The impairment of investments has arisen on 30 November 2020, where steps were taken to strike off investments held by the Company. The previous year gain has arisen on divestment of DS Smith Rapak (Thailand) Limited as part of the disposal of the Plastics division.

DS SMITH INTERNATIONAL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2021**

6. Finance income

	2021	<i>2020</i>
	£000	<i>£000</i>
Interest on loans to Group undertakings	38,853	<i>27,605</i>
Bank interest	26	<i>897</i>
Finance income	38,879	<i>28,502</i>

7. Finance Costs

	2021	<i>2020</i>
	£000	<i>£000</i>
Interest on loans from Group Undertakings	44,874	<i>34,410</i>
Finance costs	44,874	<i>34,410</i>

8. Tax on profit

	2021	<i>2020</i>
	£000	<i>£000</i>
Corporation tax		
Current tax charge / (credit) on profits for the year	(1,137)	<i>(1,127)</i>
Adjustments in respect of previous periods	2,927	<i>(58)</i>
	1,790	<i>(1,185)</i>
Total current tax	1,790	<i>(1,185)</i>
Deferred tax		
Total deferred tax	-	<i>-</i>
Taxation on profit/(loss)	1,790	<i>(1,185)</i>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2021**

8. Tax on profit (continued)

Factors affecting tax charge / (credit) for the year

The tax assessed for the year is the same as (2020: the same as) the standard rate of corporation tax in the UK of 19% (2020: 19%) as set out below:

	2021 £000	2020 £000
Profit on ordinary activities before tax	550,687	220,202
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020: 19%)	104,631	41,838
Effects of:		
Non-taxable income	(106,659)	(44,310)
Permanent differences	891	1,345
Adjustments in respect of prior years	2,927	(58)
Total tax charge / (credit) for the year	1,790	(1,185)

Factors that may affect future tax charges

In future years, the tax charge will be affected by the extent to which any capital gains can either be rolled over or sheltered by capital losses within the Group as well as subsequently enacted changes in tax rate.

The Finance Act 2021 included a 6% increase in the main UK corporation tax rate to 25% from 1 April 2023, which was substantially enacted on 10 June 2021. As these changes had not been substantially enacted at the balance sheet date, the deferred tax balances as at 30 April 2021 continue to be measured at a rate of 19% (2020: 19%).

9. Dividends on equity shares

	2021 £000	2020 £000
Interim dividend paid during the year £0.366 per ordinary share (2020: £0.036 per ordinary share)	228,367	22,638
	228,367	22,638

The proposed final dividend is subject to approval by shareholders passing a written resolution and has not been included as a liability in these financial statements. The payment of this dividend will not have any tax consequences for the Company.

DS SMITH INTERNATIONAL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2021**

10. Investments in subsidiaries

	Investments in subsidiary companies £000
Cost or valuation	
At 1 May 2020	3,358,531
Additions	65,495
At 30 April 2021	<u>3,424,026</u>
Impairment	
At 1 May 2020	8,566
Charge for the period	4,213
At 30 April 2021	<u>12,779</u>
Net book value	
At 30 April 2021	<u>3,411,247</u>
<i>At 30 April 2020</i>	<u>3,349,965</u>

The following transactions all happened as part of various steps to reorganise the Group:

On 30th November 2020 David S.S Smith (Ireland) Unlimited Company distributed its loan receivable of £255,329,889 to the Company to partially repay its working capital facility with DS Smith Plc.

On 18th December 2020 DS Smith (Luxembourg) S.a.r.l distributed intercompany receivable of £145,067,042 to its shareholder, the Company.

On 18th December 2020 the Company distributed the following intercompany receivable balances to its shareholder, DS Smith Holdings Limited DS Smith (Luxembourg) S.a.r.l WCF deposit with PLC £48,731,307.

The investment in David S.S Smith (Ireland) Unlimited Company were written off during the year. The impairment of investments has arisen on 30 November 2020, where steps were taken to strike off investments held by the Company. DS Smith Ireland, was the holding company of Plastics USA and as Plastics are no longer part of the DS Smith Group, DS Smith Ireland is no longer serving any purpose.

The following were subsidiary undertakings of the Company:

DS SMITH INTERNATIONAL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2021**

10. Investments in subsidiaries (continued)

(continued)

Name	Registered office	Principal activity	Class of shares	Holding
DS Smith Sudbrook Limited	Registered office address – 350 Euston Road, London, NW1 3AX	Financing	Preference	100%
David S. Smith (Ireland) Unlimited Company	Registered office address – 25/28 North Wall Quay, Dublin 1, Ireland	Holding Company	Ordinary	100%
DS Smith (Holdings) B.V	Registered office address - Harderwijkerweg 41, 6961 GH Eerbeek, Netherlands	Holding Company	Ordinary	100%
DS Smith (Luxembourg) S.a r.l.	Registered office address – 8-10 Avenue de la Gare, L-1610 Luxembourg	Holding Company	Ordinary	100%
DS Smith Paper Limited	Registered office address – 350 Euston Road, London, NW1 3AX	Paper Packaging	Ordinary	100%
David S. Smith (Netherlands) B.V	Registered office address – Coldenhovenseweg 130 6961 EH Eerbeek , Netherlands	Financing	Ordinary	1.525%

The shares that the company hold in the companies listed above are all directly owned.

11. Debtors

	2021 £000	*As Restated 2020 £000
Due after more than one year		
Amounts owed by group undertakings	2,759,763	2,491,186
	<u>2,759,763</u>	<u>2,491,186</u>

DS SMITH INTERNATIONAL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2021**

11. Debtors (continued)

Interest is charged on the loans as follows:

Interest is charged on £425,397,472 (Principal: £405,661,269; interest accrued: £ 14,440,642) at 12 month EURIBOR plus 4.0%, repayable on 31 July 2028

Interest is charged on € 1,895,991 (Principal: £1,646,915; interest accrued: £ 54,769) at 12 month EURIBOR plus 3.65%, repayable on 30 April 2026

Interest is charged on € 4,353,568 (Principal: £3,772,954; interest accrued: £ 125,472) at 12 month EURIBOR plus 3.65%, repayable on 29 April 2025

Interest is charged on £40,505,005 (Principal: £35,183,683; interest accrued: £ 876,665) at 12 month EURIBOR plus 3.25%, repayable on 28 July 2025

Interest is charged on €35,003,919 (Principal: £30,405,454; interest accrued: £ Nil) at 12 month EURIBOR plus 2.18%, repayable on 30 April 2026

Interest is charged on €415,568 (Principal: £360,974; interest accrued: £358,411) at 12 month EURIBOR plus 0.75%, repayable on 1st May 2022

Interest is charged on £1,928,083,374 (Principal: £1,926,552,251; interest accrued: £1,531,043) at 1 month EURIBOR plus 0.92%, repayable on 1st August 2023

Interest is charged on €365,881,034 (Principal: £317,815,454; interest accrued: £206,580) at 1 month EURIBOR plus 0.78%, repayable on 1st August 2023

* Amounts owed by group undertakings were previously presented as current assets as these amounts had no specified repayment terms attached and therefore it was assumed these balances were receivable on demand. However, there was no expectation that these amounts would be repaid within 12 months, being the entity's normal operating cycle, and therefore did not meet the criteria to be classified as current assets. The impact on the 30 April 2020 statement of financial position is an increase in non-current assets by £2,065,348,000 and an equivalent decrease in current assets.

There is no impact on the income statement or the net assets position of the Company.

Due within one year

* Prior year restatement - refer to the above

12. Cash and cash equivalents

	2021	<i>2020</i>
	£000	<i>£000</i>
Cash at bank and in hand	3	<i>52,235</i>
	3	<i>52,235</i>

The Company has bank accounts denominated in both sterling and euro currency accounts with National Westminster Bank.

DS SMITH INTERNATIONAL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2021**

13. Creditors: Amounts falling due within one year

	2021	<i>2020</i>
	£000	<i>£000</i>
Amounts owed to Group undertakings	3,226,789	<i>3,338,182</i>
Corporation tax	3,437	<i>443</i>
	3,230,226	<i>3,338,625</i>
	3,230,226	<i>3,338,625</i>

Interest is charged on the loans as follows:

Interest is charged on €5,853,961 (Principal: £5,084,926; interest accrued: £69,4942) at 12 month EURIBOR plus 1.50%, repayable on 29 April 2024

Interest is charged on €253,864,883 (Principal: £220,514,653; interest accrued: £408,871) at 3 months EURIBOR plus 0.75%, repayable on 1st February 2026

Interest is charged on €190,252,210 (Principal: £165,258,777; interest accrued: £4,117,698) at 12 month EURIBOR plus 3.25%, repayable on 28 July 2025

Interest is charged on £358,080,422 (Principal: £358,080,422; interest accrued: £511,189) at 1 month EURIBOR plus 1.69%, repayable on 1st August 2025

Interest is charged on €2,240,778 (Principal: £1,946,407,248; interest accrued: £2,497,889) at 1 month EURIBOR plus 1.54%, repayable on 1st August 2023

Interest is charged on €32,797,033 (Principal: £28,488,487; interest accrued: £110,789) at 12 month EURIBOR plus 2.18%, repayable on 27 March 2023

Interest is charged on €865,768 (Principal: £752,032; interest accrued: £1,093) at 12 month EURIBOR plus 2.18%, repayable on 07 April 2026

Interest is charged on €31,855,856 (Principal: £27,670,952; interest accrued: Nil) at 12 month EURIBOR plus 2.18%, repayable on 30 April 2026

All remaining loans have no fixed repayment date and are therefore classified as repayable on demand. All amounts owed to Group undertakings are unsecured. Interest charged on these loans range from 0.0% to 0.2%. Loans from UK dormant entities are non-interest bearing.

14. Called up share capital

	2021	<i>2020</i>
	£000	<i>£000</i>
Authorised		
673,432,794 (<i>2020: 673,432,794</i>) Ordinary shares of £1.00 each	673,433	<i>673,433</i>
	673,433	<i>673,433</i>
Allotted, called up and fully paid		
623,774,641 (<i>2020: 623,774,639</i>) Ordinary shares of £1.00 each	623,775	<i>623,775</i>
	623,775	<i>623,775</i>
	623,775	<i>623,775</i>

15. Share premium account

DS Smith Holdings Limited subscribed for 2 shares in the Company in exchange for a loan receivable from DS Smith Zarnesti for RON 372,471,558 (£65,495,261), therefore creating a share premium of £65,495,261.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2021**

16. Contingent liabilities

The Company is a participant in the DS Smith Group's uncommitted overdraft facility with a net limit of £5m. The participants in the facility cross guarantee the overdrawn balances under the facility.

17. Related party transactions

The Company has taken the exemption available under FRS 101 from disclosing related party transactions entered into between two or more members of the DS Smith Group, provided that the fellow Group entities are wholly owned by the Group. See note 4 for details of Directors' remuneration. There were no other related party transactions.

18. Ultimate parent undertaking and controlling party

The Company's immediate parent company is DS Smith Holdings Limited, a company incorporated in the United Kingdom.

The ultimate parent company and the ultimate controlling party is DS Smith Plc, a company incorporated in the United Kingdom.

DS Smith Plc represents both the largest and smallest group of undertakings for which Group financial statements are prepared and of which the Company is a member. Copies of the Group financial statements are available from the Company Secretary of DS Smith Plc at DS Smith Plc, 350 Euston Road, London, NW1 3AX.

19. Subsequent events

There are no subsequent events after the reporting date which require disclosure.